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UNCLAS SECTION 01 OF 02 BRASILIA 001477

SIPDIS

SENSITIVE

STATE PLEASE PASS TO IO/T - H. VON BEHREND, ISN/NESS - DICK
STRATFORD, ISN/CPI - KEVIN MCGEEHAN, ISN/RA - RISA MONGIELLO; ENERGY
PLEASE PASS TO NNSA - ADAM SCHEINMAN, RICHARD GOOREVICH, AND MELISSA
KRUPA

E.O. 12958: N/A

TAGS: [KNNP](#) [TRGY](#) [ENRG](#) [KSTC](#) [IAEA](#) [PARM](#) [BR](#)

SUBJECT: BRAZIL: UPDATE ON NUCLEAR MATTERS

REF: A) STATE 112229, B) STATE 114408, C) STATE 89032,
D) BRASILIA 1289

11. (U) THIS CABLE IS SENSITIVE BUT UNCLASSIFIED. PLEASE PROTECT
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12. (SBU) SUMMARY. Per November 10 meeting with the Ministry of
External Relations (MRE) Division of Disarmament and Sensitive
Technologies (DDS), the Government of Brazil (GOB) has not received
an invitation to the Iran nuclear conference (REFTEL A). Further,
it assures that it will comply with UN Security Council Resolutions
regarding Iran and appreciated the information from the USG about
freezing the assets of the Export Development Bank of Iran and three
affiliated entities (REFTEL B). The MRE is supportive of the USG
proposal (REFTELS C) for using IAEA safeguards for nuclear material
returned to the United States from Brazil; however, the MRE is
awaiting word from Brazil's National Nuclear Energy Commission
(CNEN) before formally responding to the U.S. diplomatic note
(REFTEL D). Finally, on November 10, Post delivered a copy of the
letter and proposed revision to Paragraph 6(a)(ii) of the Criteria
Based Approach to Control Sensitive Nuclear Technologies in the NSG
Part 1 Guidelines, from National Nuclear Security Administration
(NNSA) Administrator Thomas D'Agostino, to Defense Minister Nelson
Jobim and to MRE Under-Secretary for Bilateral Politics Ambassador
Everton Vargas, with a copy for MRE/DDS. END SUMMARY.

NO INVITATION YET FROM IRAN FOR NUCLEAR CONFERENCE

13. (SBU) On October 28, 2008, Environment, Science and Technology
(EST) Officer delivered REFTEL A non-paper on Iran's upcoming
nuclear conference on November 30, 2008 to Ministry of External
Relations (MRE), Head of the Division of Disarmament and Sensitive
Technologies (DDS), Minister Santiago Mourao, and to Third Secretary
Fabio Simao Alves, who works in MRE/DDS. During a November 10
meeting between Simao Alves and EST Counselor and EST Officer, Simao
Alves stated that the Government of Brazil (GOB) had not received an
invitation from Iran and was not aware of the nuclear conference.
MRE/DDS had looked into the matter, and neither the MRE's Energy
Department nor its Iran Desk had heard anything about the
conference. In the case that it does receive an invitation, Simao
Alves said the GOB realized such a conference would be a very
sensitive political issue. The MRE would need to consider the
matter carefully. Simao Alves added that the GOB would welcome
additional information on the conference should it become
available.

FREEZING ASSEST OF EDBI AND AFFILIATES - COMPLYING WITH UNSCRS

14. (SBU) Also at the November 10 meeting, EST Counselor and EST
Officer raised with Simao Alves the matter of freezing the assets of

the Export Development Bank of Iran (EDBI) and three affiliated entities. Post had earlier delivered to MRE/DDS REFTEL B, which notified the GOB that pursuant to UN Security Council Resolutions (UNSCRs) 1737, 1747 and 1803, and Executive Order 13382, the USG was freezing the assets of EDBI and these affiliates. Simao Alves appreciated the information and stressed that the GOB was committed to upholding the UNSCRs regarding Iran. He said they were not aware of EDBI or any of the affiliated entities being present in Brazil. He reassured that the GOB was doing its utmost to internalize and comply with the UNSCRs regarding Iran.

SAFEGUARDS FOR NUCLEAR MATERIAL CONTAINED IN IRRADIATED RESEARCH
REACTOR FUEL RETURNED BY BRAZIL

15. (SBU) During the November 10 meeting, ESTOFFs followed up on REFTEL C with respect to arrangements that proposed to apply International Atomic Energy Agency (IAEA) safeguards to irradiated research reactor fuel of U.S. origin to be returned from Brazil to the U.S. Department of Energy Savannah River Facility for disposition. On September 22, Post had delivered this proposal per Diplomatic Note number 387 (see REFTEL D). Simao Alves indicated that the MRE supported this proposed application of safeguards. However, the MRE had to finish its consultations with the Brazil's National Nuclear Energy Commission (CNEN) to query about an official response. Simao Alves said that MRE was awaiting the formal response from CNEN. MRE would send an official response once it became available.

PROPOSED LANGUAGE FOR NUCLEAR SUPPLIERS GROUP CRITERIA-BASED
APPROACH TO TRANSFER OF ENRICHMENT AND REPROCESSING TECHNOLOGY

16. (SBU) On November 10, Post delivered a hard copy of the letter

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and proposed revision to Paragraph 6(a)(ii) of the Criteria Based Approach to Control Sensitive Nuclear Technologies in the NSG Part 1 Guidelines, from National Nuclear Security Administration (NNSA) Administrator Thomas D'Agostino, to Defense Minister Nelson Jobim and to MRE Under-Secretary for Bilateral Politics Ambassador Everton Vargas, with a copy for MRE/DDS.

SOBEL